

May 30, 2013

Mrs. Fabian Wesson
Chair, Board of Directors
California Science Center
700 Exposition Drive
Los Angeles, CA 90037

Dear Mrs. Wesson:

On behalf of the California African American Museum and Friends, the Foundation of the California African American Museum, we take this opportunity to express our concern and opposition to the proposed lease agreement between the California Science Center Board of Directors and the University of Southern California for lease of the Coliseum/Sports Arena as summarized in the Term Sheet dated May 14, 2013. We fully concur with the concerns expressed by the Science Center Foundation Board in their letter of May 29th particularly their three principal objections that the lease terms unfairly benefit a private institution and harm the low-income families in our diverse neighborhood for whom the Park is an essential open and educational space, it severely cuts the funding for maintenance and security of the Park and our Museums, and it violates both the spirit and the letter of the law under which the Science Center Board operates. The term sheet does not “preserve and protect the interests...of the California African American Museum,” nor does it adequately ensure “the cultural and educational character of Exposition Park” as required by law.

It should also be noted that neither Friends, the Foundation of the California African American Museum nor CAAM’s State Board of Directors has ever voted on this term sheet nor have we been privy to the full lease agreement. Since the Science Center Board is legally obligated to represent the interests of the California African American Museum, we respectfully assert that the Term Sheet of May 14, 2013 does not reflect our interests.

In addition to our concurrence with all of the points raised in the Science Center’s Foundation’s letter we have the following particular concerns:

1. Target Sunday at CAAM dates must be allowed to proceed as planned without interference from Special Events or NFL Games. This is one of our largest single grants and it brings hundreds of families for free entertainment, educational and artistic workshop. We would stand to lose significant funding and the goodwill of the community and the small businesses who contribute to these monthly events.

Specifically the 1st Sundays of March, April, May, June, August, September, October, November and December and the Sunday of the MLK Holiday weekend in January, the second Sunday in February and the 4th of July must be held safe for Target Sundays at CAAM. This is a major program for CAAM and no special events or NFL games should be allowed to put this program out of business. It would have significant attendance,

membership and donor implications. **The Term Sheet could allow for CAAM approved one-time exceptions which would offer financial mitigation and payments to CAAM for an event to be held with 12 months notice.**

2. As written, the Parking allocations do not ensure that the Expo Park Fund will remain the same or grow and there are no contingencies that will maintain the security of Expo Park or the maintenance of our buildings and grounds. In lowering the fees by 60% that will come to the Expo Park Fund for USC football and special event parking, a shortfall is virtually inevitable. If the intent of this Term Sheet is to create a mechanism for USC to eventually take over the control, care, and security of Exposition Park by bankrupting its Fund, we must ask you to reject the parking agreement as now written.

3. The Financial Aspects of this agreement and full lease terms have not been made public or shared with affected parties, while the state appears to be offering nearly a \$25 million give back to USC from the parking.

a) The Dec. 17, 2012 lease term proposal was never previously presented for a noticed public hearing. As there were no public hearings or adequate notice on the Dec. 17, 2012 lease terms it is inconsistent to treat those discussions as if all terms had been publicly reviewed and accepted.

b) Public Review Should Include Access to the Full Lease Terms and Not Just a Summary. The opportunity to have a summarized term sheet is appreciated, but it is hardly possible to comment on the reasonableness of the lease without review of the full terms. The interpretation of every detail could have an impact on the operations of the Park and the cultural institutions herein. So not only is the two week window insufficient to allow for discussion and review of the terms, but without the full terms it is at best only a partial assessment.

c.) The term sheet provides no financial information about the lease terms against which the public can assess the financial intelligence of this deal.

d.) With sparse information available it appears that the priority parking spaces and parking discounts to USC could result in a minimum of \$23 million dollar loss over the life of the lease if just 2,250 parking spaces were made available to CSC at the average parking rate of \$16 for 25 events. If there are more events that can charge at the higher rate, then the loss of income to the state could be even higher. With all the cuts in State funding that both CAAM and CSC have taken, why would the State and the Science Center Board even consider giving up such income, let alone negatively impacting access for the CSC and CAAM as public agencies? Without some clarity it is impossible to view this term as maximally favorable to the State or to the benefit of the Exposition Park Improvement Fund.

4. The terms for approving the USC Redevelopment Proposal are confusing and allow for no opportunities for community input or change recommendations from the CSC Board or CAAM

If these terms remain, we would recommend a change that would allow each party an automatic right to extend the period by 90 days without requiring the other side to agree. This would at most extend the entire period by 6 months if each party exercised its extension right. Anything after that should be mutually agreed or no extension permitted. Either way, there must be stakeholder review or comment required. More important, the CSC Board should have a right to review the proposal, reject parts of it and require USC to come back with revisions before USC can decide to quit. This would increase the incentive for USC to come forward with a real and worthwhile proposal.

5. The Sports Arena provisions should be handled separately. If the Sports Arena comes back to the State, how is it going to be paid for...out of the Expo Park Fund that is not earning surpluses because the parking has been give to USC? USC can give notice to quit after the end of the first full year AND after the second can actually quit and get a rent reduction. Where is the benefit to the State?

6. Should a parking agreement that is satisfactory to ALL parties be made, USC and the CSC Board should at minimum be required to meet on a regular basis and no less than once every quarter rather than every six months. CAAM should have voice and vote in these meetings.

7. Scheduling Terms are Vague, Confusing and One-sided in favor of USC

The requirement that the Park entities have priority only for events booked 24 months in advance is not practical and gives control over events to a private entity At the present we do not know USC's game schedule until five to six months ahead yet we must plan our Saturday events to accommodate the additional fans. We believe that Park entities should have the same six months as USC.

Scheduling priorities should not be limited to events of 25,000 vs. institutional events of 3,000. The date and time of an event AND the type of event is critical to determining if a stakeholder event is going to be significantly hampered by the booking of an event at the Coliseum or Sports Arena. Issues to be considered beyond attendance include time of day of the event; intrusions of sound from the Coliseum on what might be outside events for CAAM; whether the event in the Coliseum will cause advance attendance hours before the scheduled event for tailgating; whether a single event requires days in advance of set up; etc. These issues have to be clear before a lease is signed.

Finally, we offer these points in addition to those articulated by the CSC Foundation and which we support. Given the significance of all of the issues raised by our Boards, elected officials, and other interested parties, it would be premature to take the lease to contract without further

review, negotiation and assessment. We would also appreciate being more directly involved in these important talks which directly affect our future operations and funding. Your rejection of the current Term Sheet is thereby requested. Your sincere consideration of our concerns is greatly appreciated.

Susan Cole Hill
President,
Friends, the Foundation of the California African American Museum

Francille Rusan Wilson
President, State Board of Directors
California African American Museum